FISCAL NOTE HJR 54

March 29, 2001

SUMMARY OF BILL: Directs the University of Tennessee to study the various public safety and health risks associated with methyl tertiary butyl ether (MTBE), especially the threat that the continued use of MTBE in gasoline poses to Tennessee's groundwater supply and consequently the state's drinking water supply.

In conducting the study, the University of Tennessee shall:

- review and evaluate impact studies relative to the maintenance and improvement of emissions and air quality benefits achieved by the use of reformulated gasoline.
- explore the feasibility and determine the impact of expending excess funds in the Petroleum Underground Storage Tank Fund to effectuate the removal of MTBE from gasoline and the introduction of reformulated gasoline into Tennessee.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$109,000

Estimate assumes that the study would require the use of persons with expertise in environmental issues. The cost of the study is estimated to be an increase in state expenditures of \$109,488. Details of this estimate is shown below:

Environmental Consultant	\$40,000
Graduate Research Assistant (2)	31,000
Clerical Assistance	4,000
Benefits	11,000
Student Tuition	7,200
Operating Costs	<u>16,288</u>
Total	<u>\$109,488</u>

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director